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## **Maryland Consumers Will No Longer Pay Sales Tax On ENERGY STAR® Appliances**

### ***Clean Energy Incentive Act Helps Maryland Save Money, Environment***

Maryland consumers will soon be able to save even more money when they purchase energy efficient ENERGY STAR® appliances or invest in energy saving technologies like solar power. As a result of a state law which goes into effect July 1, the state sales tax on ENERGY STAR® labeled clothes washers, refrigerators, and room air conditioners was repealed and tax incentives were established for the use of solar power, hybrid automobiles, fuel cells and biomass fuels.

“Maryland’s law sets an energy efficiency trend for other states and the federal government to follow,” said Secretary of Energy Bill Richardson. “This law will help Maryland citizens save money while actively participating in cleaning up their environment. For example, the typical family could save up to \$100 in energy and water costs, and over 7,100 gallons of water *each year* by using an ENERGY STAR® qualified clothes washer.”

Maryland joins at least nine states who have enacted tax incentives for the purchase of energy efficient products, but is the first state to specifically repeal the sales tax on the purchases of ENERGY STAR® labeled appliances, the most efficient on the market. The Clean Energy Incentives Act cancels the sales tax on ENERGY STAR® room air conditioners effective January 1, 2001, and on refrigerators July 1, 2001. Tax breaks on these appliances were postponed because the federal government expects to increase ENERGY STAR® qualifying levels as more efficient products become available.

Dan Reicher, Assistant Secretary for Energy Efficiency and Renewable Energy, joined Maryland Governor Parris Glendening and representatives from environmental groups at a ceremony today celebrating the act. The gathering featured a display of gas-electric hybrid vehicles, solar panels, and ENERGY STAR® clothes washers, refrigerators, and room air conditioners.

“Today, Maryland is continuing our national leadership on environmental protection, by launching a new program that will cut the use of fuel, use fewer natural resources, and put money back into the pockets of our citizens,” said Governor Glendening. “The Clean Energy Incentives Program provides significant tax breaks for Marylanders who make a conscious choice to buy the most energy-efficient appliances, cars, and other products on the market. I commend Speaker Taylor, Senator Van Hollen, and the General Assembly for working to make Maryland the first state in the nation to adopt this visionary, energy-saving program.”

The ENERGY STAR® program is a partnership between the Department of Energy, the U.S. Environmental Protection Agency, manufacturers, retailers and utilities nationwide, to promote the development and sale of high-quality energy efficient products. The ENERGY STAR® label can be found on many types of products, including appliances, lighting, home electronics, windows,

office equipment, and heating and cooling equipment.

Currently, nearly 7,000 product models in 31 product areas qualify for the ENERGY STAR® label. To learn more about ENERGY STAR®, its products and partners, visit the web site at <http://www.energystar.gov>, or call the ENERGY STAR® hotline at 1-888-STAR-YES. The web site lists locations where ENERGY STAR® products can be purchased.